September 10, 2003

TO: Internal File

FROM: Wayne H. Western, Team Lead

RE: Chapter 5 and Bond, Canyon Fuel, Soldier Canyon Mine, C/007/0018, Task ID

<u># 1668</u>

SUMMARY:

On September 5, 2003, the Division received an amendment to reduce the bond at the Soldier Canyon Mine by removing the preparation plant and refuse pile from the mine plan and remove the costs associated with those items from the bond. The process at first appeared easy but the Division found a fatal flaw: the refuse pile is needed to dispose of 20,602 CY of excess cut material from the mine area. In order to have the refuse pile removed the Permittee must provide an updated reclamation plan for the disposal of the 20,602 CY of excess material.

Because of the fatal flaw, I did not do a complete review of the amendment. However, I did point out other deficiencies such as not including tables in the submittal.

TECHNICAL ANALYSIS:

RECLAMATION PLAN

GENERAL REQUIREMENTS

Regulatory Reference: PL 95-87 Sec. 515 and 516; 30 CFR Sec. 784.13, 784.14, 784.15, 784.16, 784.17, 784.18, 784.19, 784.20, 784.21, 784.22, 784.23, 784.24, 784.25, 784.26; R645-301-231, -301-233, -301-322, -301-323, -301-323, -301-331, -301-333, -301-341, -301-342, -301-411, -301-412, -301-422, -301-512, -301-513, -301-521, -301-522, -301-525, -301-526, -301-527, -301-528, -301-529, -301-531, -301-533, -301-534, -301-536, -301-537, -301-542, -301-623, -301-624, -301-625, -301-626, -301-632, -301-731, -301-723, -301-724, -301-725, -301-726, -301-728, -301-729, -301-731, -301-732, -301-733, -301-746, -301-764, -301-764, -301-830.

Analysis:

In the amendment submitted on September 5, 2003, the Permittee left out some materials that need to be included such as Figure 5.42-0 and Table 5.42-1. They contain information needed for the implantation of the reclamation plan.

Since the Division found a fatal flaw about the disposal of 20,602 cubic yards of excess material from the mine site, they did not do a thorough review of the amendment. If the Permittee resubmits, they must make sure that all tables and figures are included in amendment unless they pertain only to the refuse pile or preparation plant.

Removal of the preparation plant alone should be a simple procedure that could be done by removing all references to the preparation plant in the MRP.

Findings:

The information provided in the proposed amendment is not considered adequate to meet the requirements of this section. Before approval, the Permittee must provide the following in accordance with:

R645-301-121.100 and **R645-301-121.200**, The Permittee must include all materials except for those that deal specifically with the preparation plant and the refuse pile. For example, the Permittee left out Figure 5.42-0 and Table 5.42-1, from the submittal.

TECHNICAL MEMO

BACKFILLING AND GRADING

Regulatory Reference: 30 CFR Sec. 785.15, 817.102, 817.107; R645-301-234, -301-537, -301-552, -301-553, -302-230, -302-231, -302-232, -302-233.

Analysis:

General

The Permittee assumed that with the removal of the refuse pile from the mining and reclamation plan and that they were permitted to ship refuse material to the Skyline refuse site that the Soldier Canyon refuse pile was no longer needed. While the Soldier Canyon refuse pile is no longer need for disposal of refuse, the refuse pile is still needed for reclamation.

There are 20,602 cubic yards of excess material at the mine site that are scheduled to be shipped to the Soldier Canyon refuse pile during reclamation. If the refuse pile is removed from the plan then the plan must be modified for the disposal of the excess material. Therefore, the Permittee must include a revised backfilling and grading plan that includes how and where the 20,602 cubic yards of excess material will be placed at final reclamation.

Findings:

The information provided in the proposed amendment is not considered adequate to meet the requirements of this section. Before approval, the Permittee must provide the following in accordance with:

R645-301-542.200, The Permittee must include a revised backfilling and grading plan that includes the where and how the 20,602 cubic yards of excess material from the mine area will be placed during final reclamation.

BONDING AND INSURANCE REQUIREMENTS

Regulatory Reference: 30 CFR Sec. 800; R645-301-800, et seq.

Analysis:

Determination of Bond Amount

The Permittee must include cost estimates for disposal of the 20,602 cubic yards of excess material from the mine area.

TECHNICAL MEMO

Findings:

The information provided in the proposed amendment is not considered adequate to meet the requirements of this section. Before approval, the Permittee must provide the following in accordance with:

R645-301-830.140, The Permittee must include detailed reclamation cost estimates for disposal of the 20,602 cubic yards of excess material during final reclamation.

RECOMMENDATIONS:

The Division should deny the amendment until all of the above mentioned deficiencies have been corrected. The Division should tell the Permittee that they could remove the preparation plan and bond costs from the MRP without having to address the disposal of the 20,602 cubic yards of excess material.

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